

EPISODE 1402

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FT: So Money is brought to you by CNET, the site that shows how to navigate change all around us. So Money episode 1402, Sharon Tseung, Founder of Digital Nomad Quest.

***ST:** I was a marketing manager, and my parents actually cried when I told them that I was going to do the whole thing. Like initially, they didn't even believe me. But then, when I started asking about insurance, like how it works abroad, like my mom started crying. She thought, 'I didn't think you were serious.'"*

[INTRO]

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FT: Welcome to So Money, everybody. I'm Farnoosh Torabi. We are talking passive income today and how to go from quitting your job to becoming a millionaire by age 30. Our guest, Sharon Tseung, is here, and she speaks from experience. Sharon is the Founder of digitalnomadquest.com. She's a serial real estate investor. She quit her job in 2016, traveled the world for two years building passive income streams, went from earning \$30,000 a year in marketing, to becoming a millionaire by age 30. She owns 32 rental units.

So we talk about how she did it and what her advice is for anyone else who's interested in quitting the nine-to-five and building multiple income streams, side hustles, and investing in real estate. What gave her the confidence, financial and emotional, to leave her job? What are all of her revenue streams? What does she think of the FIRE movement and investing in real estate right now? Really? Here's Sharon Tseung.

[INTERVIEW]

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FT: Sharon Tseung, welcome to So Money.

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ST: Yeah, thanks for having me.

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FT: I've been following your work. Everybody's been following your work. You're a superstar in the personal finance space. It's hard to not find a media platform that hasn't covered you. I'm like really late to this. Whether you're like CNBC, you're Business Insider, people can't get enough of your story, and it's obvious why. You are a self-made entrepreneur, millionaire, and you're a woman. There's so much to learn from you.

I hope in the next half hour, we'll be able to hear some of your secrets and how you, for example, went from working a corporate job to becoming a millionaire, how you're investing in real estate, what you think of the FIRE movement, and how you manage your money. You've been very transparent on your own site, Digital Nomad Quest, and I'm hoping we'll carry some of that over to So Money. But just really grateful for you, because I know you're super busy, spending time with us today.

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ST: Yeah. Thanks so much for the kind words. Wow.

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FT: Yeah. So 2016, I think that's like when we should start talking, right? 2016 was a pivotal year for you. It's when you quit your job, and you traveled the world for two years, learning how to build passive income streams. That's kind of where your entrepreneurial journey started. Take me back to that point where you felt confident to quit. I think a lot of us would love to follow in your footsteps. But tell us what we need to do before we can actually quit our jobs.

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ST: Yeah. I mean, when I first started in 2014, I actually traveled around Europe for like a month, and it made me realize how much life I was missing out on. I was going to the same office, same four walls every single day, and I was just like worried that that was going to be the rest of my life. So I just started studying a lot, books, podcasts, blogs, everything around making passive income, building side hustles.

I first started looking into real estate investing, and then I pivoted to online side hustles. Then now, I'm investing in real estate again. But leading up to that moment, I was like, "I'm young. I'm in my mid-20s. So this would be the time to do it." I purchased a one-way ticket, actually, to Stockholm six months out, basically saying, "I have this much time to figure it out." I was just studying a lot, starting to attempt multiple side hustles. I picked up two part-time remote positions while I was working my full-time job and trying to build like an Etsy shop, build a blog, and all these different things.

Then I basically put in my two weeks' notice and then traveled the world for two years, while trying to figure it out and build passive income streams. But having the multiple part-time remote positions helped build up my nest egg enough, where I felt more and more confident. When I left, I knew I would have these part time remote positions that I could work on, while I was working on passive income streams.

So I was trying to be careful with transitioning to traveling the world for two years by doing those different steps and having something to fall back on, right? Like I have a nest egg, and I have multiple remote positions, and I booked six months of travel prior because I knew I could get the best deals doing that and have like a lot of financial security, so I wouldn't have to worry too much, essentially.

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FT: Wow. So you shared essentially so much right there. I mean, yeah, that story in and of itself, so many lessons learned. What were you doing? What was your job? Second part of that question is I'm sure that part of the decision came with some resistance from family or culture. I

don't know. What was that like to basically say, "Hey, everybody. I'm going to do the opposite of what everyone's expecting of me." But what were you doing, and how was that transition emotionally?

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ST: Yeah. So I was a marketing manager, and my parents actually cried when I told them that I was going to do the whole thing. Initially, they didn't even believe me. But then when I started asking about insurance, like how it works abroad, like my mom started crying. She thought, "I didn't think you were serious." They were worried because safety reasons as well, like as a solo female traveler, and they didn't think it was the right decision. They told me not to do it. No one around me was doing it, like none of my friends. So I was just so obsessed with this idea of building passive income and like becoming a digital nomad around the world that I think I hung out with my friends like a lot less, like less and less. I was just focused on working.

I remember at that time, I was just studying and working extremely hard for this dream. To me, it was just feeling like if I didn't do this, I would regret it, right? I would never know what it was like to live somewhere else and see the world. So I just thought it's scary to go out, but it's even more scary to live a life with these regrets.

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FT: Yeah. Well said. What were some of the resources that helped anchor you and guide you? Because I can imagine, if you go to Google and type in passive income, you get a lot of junk. Let's be honest. It's a lot of bad advice out there, a lot of advice that over sells, over promises. What were some of the trusted sources that you relied on?

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ST: Yeah. Well, initially, I think my mindset changed when I read *4-Hour Workweek* and *Rich Dad Poor Dad*. Those really opened my eyes to like making money work for me, instead of trading time for money, and also the freedom you can have and like how you can make a location-independent life. So that was helpful in the shift for my mindset.

I think that when it came to studying each different side hustle, I think I had to kind of look at different resources for specific side hustles and just like scour YouTube and all these different things. I know for blogging, I remember this website called Digital Nomad Wannabe was like a huge inspiration for me. When I was first starting out, I think that like helped me think of that whole lifestyle and made it become more of a reality. She talked a lot about blogging and SEO and stuff like that. So I started doing a lot of that.

But I think like with every side hustle, you kind of have to look for those resources for each different one you attempt. That's kind of what I did. Like every single one I tried doing and then like getting it to a certain number per month, and I was like, "Okay, that works. Let me try a different one." I would just document my process on my blog and like how it all worked. So that was kind of my goal, like experimenting with different ones and seeing if they can make money passively and then trying more and more.

I think what I found was each one can work. It's just really a matter of like your strengths, your passions, the amount of time you have, and the amount of money you can put in, and then like figuring out the different income streams that match that different criteria you have.

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FT: Yeah. You have many income streams. You have the store. You have real estate. Did I read right that you've kept your day job or you have a day job?

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ST: So I actually got laid off two months ago.

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FT: Oh, my gosh.

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ST: What happened was after traveling for two years, I came back, decided to take a position because what I found was when I was traveling and building up this passive income, I realized that like just hitting a numeric goal isn't the goal, essentially. It's like a means to an end. It's like a tool. Whereas at that time, I was like thinking, how do I keep increasing that number, but it didn't make me feel fulfilled or happy.

I decided to come back and try to like grow my skills, build something more impactful. I think that's kind of why I took the position to get even better at marketing. But also, it was helpful for my real estate investments because it does make it easier to get a loan when you have a W-2. So that and I started building my brand even more and building these YouTube videos. That was where like the fulfillment came in, where I'm building something that's actually really helping people versus just constantly trying out new, passive income streams just to like make money but teaching people how to create freedom for themselves.

Essentially, I took that job and then got laid off two months ago. But the great thing was because I had all these passive income streams that even exceeded the amount that I was making at my day job, it was more about, okay, how do I spend my time because I was just at the job thinking I didn't really have complaints about it. I was in a position where it's like if I didn't want to work that job, I could totally leave. So now that it was gone, I'm like, "Okay, I should figure out how I'm going to spend my time." I think that's the beauty of it, that I didn't have to worry about money, essentially.

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FT: How has your life changed? You went from \$30,000 a year to a millionaire by 30, 32 rental units. You're not any less busy these days. You're probably busier. But in terms of the quality of your life and the way that you have been budgeting your time and the shifting of your goals, how is your life today versus in 2016?

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ST: Yeah. I think it's definitely very different. My mindset's very different. Honestly, I'm not – I think a lot of people work really hard in this space, but I don't work that hard. I hang out with people a lot. I hang out with my husband a lot. Yeah. I watch TV. I play video games. I always –

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FT: What are you watching right now? I'm watching Indian Matchmaking.

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ST: Oh, my gosh. I actually finished.

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FT: No spoilers. I watched season one. I'm like halfway. I fell asleep during like season two last night, and I spoiled it for myself when I woke up. I was like, "Wait a minute. She's dating this guy now?" To go back, but it's so fascinating. Anyway, side bar there. Okay, so I love to hear that you don't feel like you have to fill up your time with climbing Mount Everest. You just want to spend time with the people you care about and some good old fashioned Netflix.

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ST: Yeah. I think that I've been writing actually my 101 goals. Actually, I heard that at a conference that –

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FT: 101?

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ST: Yeah It's a lot. So I was like –

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FT: Do you have 101 goals? How do you factor that?

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ST: I wrote up 85 so far, but it's taking so long to even just figure that out. But he said like, "If you try really hard, you'll be able to figure out that many." I think the hard part is like actually writing down the ones that I truly care about. I think that it would be cool if I can accomplish those before I die, like focusing on the ones that I think would be extremely cool to do. So I've been writing those out and kind of exploring random like passions.

I started getting into like hydroponic gardening, which is like kind of like growing your own veggies. Then I'm like into – I want to learn like how to fish, so I like bought like fishing poles and a book about it. I used to make music actually. I had a whole YouTube channel around music. So I started like setting up my production gear again. So it's kind of cool to have that time to be able to like explore all the different things I want to do.

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FT: Like who you really are because we're not just Etsy store owners, right? We actually have interests beyond transacting. You moved to Dallas recently, and I want to transition us to talking a little bit more about real estate and investing because that's, I think, important to my audience. But tell me what prompted you to move, and was it because you wanted to be closer to some of your investments?

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ST: Yeah. So we have investments in California, Texas, Florida, Georgia. That was a big reason I wanted to move to Dallas. It sounded crazy at the time, but then like my husband ended up being on board and then we moved. We're basically house hacking right now, where our home in the Bay Area, we're Airbnb'ing it out as a midterm rental. Then it makes up for the mortgages for that home, as well as our Dallas home, which is really amazing that we don't have to –

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FT: Talk about arbitrage.

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ST: It's really nice that it makes up for everything, and then we have the other rental units. But essentially, being in Dallas, I can be closer to our investments, and we can invest more heavily in Texas. So that's kind of where we're focused on right now. I think that –

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FT: Why Texas?

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ST: Yeah.

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FT: What's up with Texas?

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ST: Well, actually we've been having a really good time here. We find the cash flow works well here and the appreciation. In the Bay Area, it's really hard to get an offer accepted, whereas like in Dallas it is easier and like the surrounding cities. It's easier to win the offer essentially. So we're thinking we can grow our portfolio even more like exponentially out here.

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FT: Tell me something people don't know when they imagine life as a real estate investor. It sounds so cool because it's tangible and all these channels like HGTV, like fixing up a house. If you're into it, I mean, it can be very rewarding for people who are into those kinds of activities. It's kind of fun because, I guess, as the owner, you are in control, right? Like a little bit. Yes, the market will kind of do its thing, but it's not like a stock. Like you can upgrade your home. You can fix up the lawn. You can give it more curb appeal. You can do a lot of things to kind of make it more attractive for the market. What I want to know from you is like what have been the hard things that you've learned?

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ST: Yeah. So I mean, it's fun to me to have like properties we can work on, and it's something that I want to continuously get better at. But there are definitely going to be tenant issues, big renovations that we work on that I think a lot of people like wouldn't want to attempt. Especially for our latest projects, we've been buying really distressed homes. We bought this like \$120,000 moldy house. It was extremely moldy inside. The entire house is filled with it, and no one had occupied it for two years. We're learning a lot in the process. We hadn't done mold remediation before and stuff like that, so we kind of like learn as we go. I think that's usually the best step of like taking action and learning along the way.

But I think that a lot of people won't want all that hassle, essentially, to like buy these distressed homes and like try to figure it out. So I think that's probably the thing that people think this is all glamorous, but there's going to be a lot of – There can be issues. But I think if you figure out the blueprint and like get it going, real estate has dramatically increased my net worth and can grow your wealth immensely.

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FT: But right now, I saw you and your husband, I believe he's your business partner as well, are pausing on making acquisitions at the moment. Tell us why.

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ST: So we're kind of slowing down, but we do have a small project we're working on right now, and we actually are putting in an offer on another one. But I think that it's a lot slower than how we were doing it like these last few years because we do see the market shifting a little bit, and it's slowing down. We're kind of seeing where the bottom is. Obviously, it's hard to time the market, but we're just kind of watching, and we see interest rates are really high right now. That's why we're kind of saving up cash and just watching out and seeing if we can get even better deals towards the end of the year.

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FT: Have you been able to raise your rents? Or are you raising your rents in this climate?

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ST: I typically don't really raise rents unless like the tenant moves out because I don't really want to increase rents for them. If I do, it's going to be below or average market rents. I think as a landlord, you got to have some kindness for the tenants and not try to like spike up rents like crazy or anything like that. So I try to keep it manageable for them. But then, when they move out, I'll probably like make the home more rent ready, see if there's any renovations I can make, and then increase it accordingly, essentially.

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FT: By the way, thank you for doing that. That's like really good of you, and I don't think that's a small thing. I think that there's a lot of greed out there, and I have a sense you were going to say what you did. But I just wanted to ask because while, yes, interest rates are going up, and it's harder to acquire. Like the house you were going to buy this year versus last year as an investment property is probably more expensive in terms of the cost. But then maybe you would justify and say, "Well, rents are also higher, so I can also make more cash flow." But that math is not necessarily what you would want to do.

All right, you're huge on social media, and I want to learn from you because you've been 500-plus thousand followers on TikTok, lots and lots of followers on Instagram and YouTube,

everywhere. Well, let's focus on TikTok for a second. I'm just curious. What is the strategy there, and who's coming to watch your videos on TikTok? Is it like who we think? These like 20-year-olds who are trying to strike it rich? Or what are you learning from TikTok, as far as your audience?

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ST: Yeah. I think the audience has changed a lot, in the sense of I think everyone thinks it's like the Gen Z app. But I think that now, as the app has evolved, I think all audiences have come on board. So I think that my audience is kind of around like 25 to 34-year-olds for my personal audience and just interested in side hustles and real estate.

In terms of TikTok, I think that it's really about watch time. So you have to kind of like not have long pauses or babble and stuff like that. You have to cut those out because you want to make sure they watch through the whole thing so that it signifies to the algorithm that it's a valuable piece of content and spreads that piece of content to wider audiences.

So it's really about that and making sure you hook the audience in the beginning like two seconds with something catchy. I say like side hustle idea number blank, and people think, "Oh, I'm going to learn something about making money, and she has a 10-part series or whatever, and I should watch through all the other ones." Try to hook them in the beginning and try to increase the watch time and engagement as well.

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FT: I read an article where you were talking about sort of like the four steps to how you've managed to build your financial life and your business. One of them was that focus on learning high paying skills. I'm hearing a lot of marketing skills from you, obviously, because that was your career. But is that it? Is that like at the end of the day got to be a good salesperson, and then you can transfer that to any platform, whether you're trying to –

Then I'm talking more for someone who wants to be, let's say, a creator. Right now, on Digital Nomad, I think with real estate, a lot of it is marketing. But tell us a little about what you have

invested in in terms of skills and what you would advise others now to invest and if they're looking to be entrepreneurial like you?

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ST: Yeah. I think for me, I focus on marketing because for me, I could build my own personal brand. If I wanted to, I can take on clients and help them with their social media or paid ads, and that's kind of what I did. So when I took those part-time remote positions, I was designing paid ads for people and managing other people's Facebook ads. It definitely can be lucrative if you continuously grow your skills and marketing.

But I wouldn't say that's like the only thing. There's obviously coding. In the Bay Area, you get paid a ton, right? So it's like learning these skills that could have high potential and then investing that money back into your business. I would also say like even look into the ones that have no cap, and I know you mentioned sales. So like even as a real estate agent or as a loan officer, like you could make more from commissions so that there's no cap. So if you wanted to put in more hours to make more, you could totally do that.

So just focusing on the skills that can bring in more money that you can put it back into your investments, back into your side hustles, that can help grow your wealth immensely.

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FT: What's your definition of FIRE, Sharon? Well, we know the definition is Financial Independence, Retire Early. But what does it mean to you? Because I think the meaning is different for a lot of people. Some people say it's like literally sitting on a beach at 45. Others would say it's just you can have a full-time job, but you're not beholden to that job. You have other income coming in. How would you define it for yourself?

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ST: Yeah. I think to me, it's being able to live the life that is in line with yourself, I guess. So I think that if it does mean you want to take a job, that's totally fine. If you do want to go travel, it's

totally fine too. But I think at the end of the day, it's just what makes sense for you, and I think it's also doing what matters.

So for me, like, I'm like writing out those 101 goals. I'm working on the things that I care about and also outlining what I care about in my life. I care about spending time with my family and friends. I care about building these side hustles and helping people with their personal finance, creating that financial freedom for themselves. I'm passionate about creating in general. So that can mean business. That can mean real estate. That can mean music.

I think it's a matter of finding what fulfills you and what makes sense for you. Because I think for me when I was in Chiang Mai, basically towards the end of my two-year trip, I found a lot of people were relaxing and just covering their minimal expenses. I thought that was fine for them. But for me, I realized that it wasn't fulfilling enough for me, that I wanted to work on more things and learn and grow. So it's okay to come back and like take a job if you want. It's about doing what you want, since you won't have financial restrictions, essentially.

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FT: It sounds like you're beating your own drum. I wonder, though, when it comes to “enough,” right, you talked a little bit earlier about you got to this point where it was just like chasing money. You kind of reached a point where it wasn't – More money didn't mean more happiness. You realize you wanted to invest more in your skills and go back to learning more and got the job.

For anyone listening who wants to identify for themselves what is their enough number in terms of whatever they're seeing in their bank account, or sometimes we think it's like once I make six figures, or then it's like once I make a million dollars. Then it's like at what point do you recommend saying, “Okay, take a pause and reevaluate what you're doing,” because really at this point, it's just making money for money's sake, and you're missing the bigger picture.

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ST: Yeah. I think that, honestly, you can calculate your monthly expenses and kind of use that 4% rule, for example, which is just kind of a guideline to start out with. But like using that can help you understand if that makes sense for you. For example, if you spend 40 grand a year, then maybe a million is enough because of that 4% rule.

But I think that you kind of have to evaluate with your personal situation, like how much are you planning to spend, and like how long like for the rest of your life, and like how many years is that essentially, and like how long you can last with that. We have to evaluate those things because it can be easy to think that it's never enough. Because that's like what I find that a lot of these content creators do struggle with is like comparison. They start looking at other people who do similar things, and they're like, "Oh, I could be doing more and more."

But if you hone in back on like you actually need to live a good life, then everything else is kind of bonus. You should just remember that and like remind yourself that money isn't everything. You don't want to live the rest of your life and realize on your deathbed that you like worked your entire life, and then you missed out on a lot, essentially.

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FT: Yeah. This reminds me of a guest, Jordan Grumet, who was on the show. He talked about talking to people towards the end of their lives and what they regretted and what they were happy about. No one really talked about like, "I'm so happy that I got the raise." I think when we're living our lives, those things are important for sure. Like making more money can improve your quality of life, and you should earn what you're worth. But the experiences that we have in life, I think his lesson really was that focus on the experiences and not really the transactions as much because the transactions come and go. But the experiences can fill your memories and can be far more fulfilling than money in the bank sometime.

So Sharon, thank you so much. This is our time to say goodbye to you because you have to go back to fishing, I guess. Please keep us posted. Please post that stuff online too. I feel like we get a lot of Sharon giving us advice on how to be financial warriors. But like show us the fishing stuff too. Show us like what you're watching on Netflix, if you're open to it.

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ST: Yeah, definitely. I'm kind of doing a little series on my YouTube, though. I'll do like a life after retirement chapter one, two, three.

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FT: Very good. Very good. Everybody, check out Digital Nomad Quest. You're all over TikTok and Instagram and YouTube. Am I missing anything?

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ST: Yeah. You can use my full name for all the social channels, and then website would be Digital Nomad Quest.

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FT: We'll put all that in our episode notes. Sharon, thanks a lot. Have a great one.

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ST: Thank you so much.

[END OF INTERVIEW]

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FT: Thanks so much to Sharon for joining us. Check her out at digitalnomadquest.com, and all of the social media links will be provided in our episode notes. I'll see you back here on Wednesday, and I hope your day is So Money.

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